

1 [Sale of San Francisco General Hospital Bond Anticipation Notes, Series 2009A.]  
2 **Resolution authorizing and directing the sale of not to exceed \$136,000,000 General**  
3 **Obligation Bond Anticipation Notes, Series 2009A in anticipation of the issuance of**  
4 **\$136,000,000 General Obligation Bonds (San Francisco General Hospital Improvement**  
5 **Bonds, 2008), Series 2009A; Prescribing the Form and Terms of Said Notes; Providing**  
6 **For the Levy of a Tax To Pay the Interest and, if Applicable, the Principal Thereon;**  
7 **Authorizing the Execution, Authentication and Registration of Said Notes; Providing For**  
8 **the Appointment of Depositories and Other Agents For Said Notes; Providing For the**  
9 **Establishment of Accounts Related Thereto; Providing For the Manner of Sale of Said**  
10 **Notes, Whether By Competitive Sale or Negotiated Sale; Approving the Forms of Official**  
11 **Notice of Sale and Notice of Intention To Sell Notes; Directing the Publication of the**  
12 **Notice of Intention To Sell Notes; Approving the Form and Execution of the Note**  
13 **Purchase Agreement for the Sale of Said Notes; Approving the Form and Execution of the**  
14 **Official Statement Relating to the Sale of Said Notes; Approving the Form of the**  
15 **Continuing Disclosure Certificate; Approving Modifications To Documents; Ratifying**  
16 **Certain Actions Previously Taken; and Granting General Authority To City Officials To**  
17 **Take Necessary Actions In Connection With the Authorization, Issuance, Sale and**  
18 **Delivery of Said Notes.**

19 WHEREAS, By Resolution No. 307-08 adopted by the Board of Supervisors (the  
20 "Board") of the City and County of San Francisco (the "City") on July 16, 2008, it was  
21 determined and declared that public interest and necessity demands the acquisition,  
22 construction and/or reconstruction of certain improvements to the San Francisco General  
23 Hospital and related facilities and structures; and,

24 WHEREAS, By Ordinance No. 123-08, finally passed by the Board on July 22, 2008,  
25 the Board duly called a special election to be held on November 4, 2008, for the purpose of

1 submitting to the electors of the City a proposition to incur bonded indebtedness of the City in  
2 an amount not to exceed \$887,400,000 for the building and/or rebuilding and improving of the  
3 earthquake safety of the San Francisco General Hospital and Trauma Center and related  
4 costs necessary or convenient for the foregoing purposes (the "Project"); and,

5 WHEREAS, A special election was held in the City on November 4, 2008 for the  
6 purpose of submitting to the qualified voters of the City a proposition for incurring  
7 indebtedness of the City in the aggregate principal amount of \$887,400,000 to finance the  
8 Project; and,

9 WHEREAS, By Resolution No. \_\_\_\_\_ adopted by the Board of Supervisors (the  
10 "Board") of the City and County of San Francisco (the "City") on \_\_\_\_\_, this Board  
11 has determined, and declared that it is necessary and desirable that all of said bonds  
12 designated generally as City and County of San Francisco General Obligation Bonds (San  
13 Francisco General Hospital Improvement Bonds, 2008) (the "Bonds") in the aggregate  
14 principal amount not to exceed \$887,400,000, be issued and sold in series from time to time,  
15 for the purposes authorized and on the conditions set forth in Resolution No. \_\_\_\_\_; and,

16 WHEREAS, By Resolution No. \_\_\_\_\_ adopted by the Board of Supervisors (the  
17 "Board") of the City and County of San Francisco (the "City") on \_\_\_\_\_, this Board  
18 has determined, and declared that it is necessary and desirable that an initial series of said  
19 bonds designated generally as City and County of San Francisco General Obligation Bonds  
20 (San Francisco General Hospital Improvement Bonds, 2008), Series 2009A (the "Series  
21 2009A Bonds") in the aggregate principal amount not to exceed \$136,000,000, be issued and  
22 sold in series from time to time, for the purposes authorized and on the conditions set forth in  
23 Resolution No. \_\_\_\_\_; and,

24 WHEREAS, The Bonds, including the Series 2009A Bonds, will be payable from  
25 proceeds of the annual tax levy as provided herein; and,

1           WHEREAS, This Board has determined, and does hereby declare that it is necessary  
2 and desirable that bond anticipation notes designated generally as City and County of San  
3 Francisco General Obligation Bond Anticipation Notes (San Francisco General Hospital  
4 Improvement Bonds, 2008), Series 2009A (the "Series 2009A Notes") constituting Short-Term  
5 Indebtedness under the terms of the Ordinance referred to in Section 2 hereof (the  
6 "Ordinance") in the aggregate principal amount not to exceed \$136,000,000, be issued and  
7 sold for the purposes authorized and on the conditions set forth in this Resolution, in  
8 anticipation of the issuance of the Series 2009A Bonds; and,

9           WHEREAS, The proceeds from the sale of the Series 2009A Notes shall be used only  
10 for the Project purposes for which the Bonds were approved by the voters, together with the  
11 costs of issuing such Series 2009A Notes; and

12           WHEREAS, The City has paid and expects to pay certain expenditures in connection  
13 with the Project to be financed by the Series 2009A Notes prior to the issuance and sale of  
14 the Series 2009A Notes, and the City intends to reimburse itself and to pay third parties for  
15 such prior expenditures from the proceeds of the Series 2009A Notes; and,

16           WHEREAS, Section 1.150-2 of the Treasury Regulations promulgated under the  
17 Internal Revenue Code of 1986 (the "Treasury Regulations") requires the City to declare its  
18 reasonable official intent to reimburse prior expenditures with the proceeds of a subsequent  
19 borrowing; and,

20           WHEREAS, The Treasury Regulations require that any reimbursement allocation of  
21 proceeds of the Series 2009A Notes to be made with respect to expenditures incurred prior to  
22 the issuance of the Series 2009A Notes will occur not later than eighteen (18) months after  
23 the later of (i) the date on which the expenditure is paid or (ii) the date on which the facilities  
24 are placed in service, but in no event later than three (3) years after the expenditure is paid;  
25 and,

1           WHEREAS, The Series 2009A Notes are being issued pursuant to Section 1.101 and  
2 Section 9.113(e) of the Charter of the City, the Ordinance, and this resolution (this  
3 “Resolution”) duly adopted by the Board; and,

4           WHEREAS, Pursuant to Section 9.106 of the Charter of the City, there shall be  
5 delivered a certificate of a duly authorized officer of the City, concurrently with the issuance of  
6 the Series 2009A Notes, stating that the outstanding general obligation bond indebtedness of  
7 the City, including all series of the Series 2009A Notes issued and to be issued and  
8 outstanding on the date of delivery of such series, will not exceed three percent of the  
9 assessed value of all taxable real and personal property located within the City; now,  
10 therefore, be it

11           RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as  
12 follows:

13           Section 1. Recitals. All of the recitals herein are true and correct.

14           Section 2. Conditions Precedent. Subject to certification to the Board by the Registrar of  
15 Voters of the City that more than two-thirds of the votes cast on Proposition A approved by the  
16 voters on November 4, 2008 relating to the Bonds favored the incurring of such bonded  
17 indebtedness, and further subject to final passage by the Board of Ordinance No.\_\_\_\_\_, which  
18 will amend the San Francisco Administrative Code by adding Article 43.11, Sections 43.11.1  
19 through 43.11.5, to authorize the issuance of Short-Term Indebtedness (as such term is therein  
20 defined) in anticipation of the issuance of general obligation bonds authorized by the voters, all  
21 conditions, things and acts required by law to exist, to happen and to be performed precedent to  
22 and in the issuance of the Series 2009A Notes exist, have happened and have been performed  
23 in due time, form and manner in accordance with applicable law, and the City is now authorized  
24 pursuant to its Charter and applicable law to incur indebtedness in the manner and form  
25 provided in this Resolution.

1           Section 3. Documents. The documents presented to this Board and on file with the Clerk  
2 of the Board of Supervisors, or his or her designee (the "Clerk of the Board of Supervisors") are  
3 contained in File No. \_\_\_\_\_.

4           Section 4. Issuance and Sale of Series 2009A Notes. The Board hereby authorizes the  
5 issuance and sale of not to exceed \$136,000,000 principal amount of notes to be designated as  
6 "City and County of San Francisco General Obligation Bond Anticipation Notes (San Francisco  
7 General Hospital Improvement Bonds, 2008), Series 2009A" for the purposes set forth in  
8 Proposition A approved by the voters on November 4, 2008. The Director of Public Finance of  
9 the City or his or her designee (the "Director of Public Finance") is hereby authorized to  
10 determine the manner of sale of the Series 2009A Notes, whether by competitive sale or  
11 negotiated sale; the sale date, the interest rate or rates and the definitive principal amount  
12 thereof (not to exceed \$136,000,000); the maturity date or dates thereof; the terms of any  
13 optional or mandatory redemption of the Series 2009A Notes and the redemption dates, if any,  
14 of the Series 2009A Notes; all of such determinations being subject to the other specific  
15 provisions of this Resolution, including the following terms and conditions: (i) the Series 2009A  
16 Notes shall not have a true interest cost in excess of 5.00% per annum (as such term is defined  
17 in the Official Notice of Sale); and (ii) the Series 2009A Notes shall not have a final maturity date  
18 exceeding that permitted by the Ordinance. The Director of Public Finance is further authorized  
19 to give the Series 2009A Notes such additional or other series designation as may be necessary  
20 or appropriate to distinguish such series from every other series and from other notes issued by  
21 the City.

22           Section 5. Execution, Authentication and Registration of the Series 2009A Notes. The  
23 Series 2009A Notes shall be in fully registered form without coupons in denominations of \$5,000  
24 or any integral multiple thereof. The officers of the City are hereby directed to cause the Series  
25 2009A Notes to be prepared in sufficient quantity for delivery to or for the account of the

1 purchaser thereof and the Clerk of the Board of Supervisors is hereby directed to cause the  
2 blanks therein to be completed in accordance with this Resolution, to procure their execution by  
3 the proper officers of the City (including by facsimile signature if necessary or convenient), and to  
4 deliver the Series 2009A Notes when so executed to said purchaser in exchange for the  
5 purchase price thereof, all in accordance with this Resolution and the Note Award provided for in  
6 Section 16 hereof or the Note Purchase Agreement or investment agreement defined and  
7 described in Section 19 hereof (collectively, such agreements being referred to as the “Note  
8 Purchase Agreement”).

9 The Series 2009A Notes and the certificate of authentication and registration, manually  
10 executed by the Treasurer of the City or his or her designee (the “City Treasurer”) and the form  
11 of assignment to appear thereon shall be substantially in the form attached hereto as Exhibit A (a  
12 copy of which is on file with the Clerk of the Board of Supervisors and which is hereby declared  
13 to be a part of this Resolution as if fully set forth herein) with necessary or appropriate variations,  
14 omissions and insertions as permitted or required by this Resolution.

15 Only such of the Series 2009A Notes as shall bear thereon a certificate of authentication  
16 and registration in the form herein recited, executed by the City Treasurer, shall be valid or  
17 obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of the  
18 City Treasurer, executed as herein provided, shall be conclusive evidence that the Series 2009A  
19 Notes so authenticated have been duly authenticated and delivered hereunder and are entitled  
20 to the benefits of this Resolution.

21 The City Treasurer shall assign a distinctive letter, or number, or letter and number to  
22 each Series 2009A Note authenticated and registered by him or her and shall maintain a record  
23 thereof which shall be available for inspection.

24 Section 6. Registration Books. The City Treasurer shall keep or cause to be kept, at the  
25 office of the City Treasurer, or at the designated office of any registrar appointed by the City

1 Treasurer, sufficient books for the registration and transfer of the Series 2009A Notes, which  
2 shall at all times be open to inspection, and upon presentation for such purpose, the City  
3 Treasurer shall, under such reasonable regulations as he or she may prescribe, register or  
4 transfer or cause to be registered or transferred, on said books, Series 2009A Notes as herein  
5 provided. The City and the City Treasurer may treat the registered owners of the Series 2009A  
6 Notes hereof as the absolute owners hereof for all purposes, and the City and the City Treasurer  
7 shall not be affected by any notice to the contrary.

8 Section 7. Transfer or Exchange of Notes. Any Series 2009A Note may, in accordance  
9 with its terms, be transferred upon the books required to be kept pursuant to the provisions of  
10 Section 6 hereof, by the person in whose name it is registered, in person or by the duly  
11 authorized attorney of such person in writing, upon surrender of such Series 2009A Note for  
12 cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form  
13 approved by the City Treasurer.

14 Any Series 2009A Notes may be exchanged at the office of the City Treasurer for a like  
15 aggregate principal amount of other authorized denominations of the same interest rate and  
16 maturity.

17 Whenever any Series 2009A Note shall be surrendered for transfer or exchange, the  
18 designated City officials shall execute (as provided in Section 5 hereof) and the City Treasurer  
19 shall authenticate and deliver a new Series 2009A Note or Series 2009A Notes of the same  
20 interest rate and maturity in a like aggregate principal amount. The City Treasurer shall require  
21 the payment by any Note owner requesting any such transfer of any tax or other governmental  
22 charge required to be paid with respect to such transfer or exchange.

23 No transfer or exchange of Series 2009A Notes shall be required to be made by the City  
24 Treasurer during the period from the Record Date (as defined herein) next preceding each  
25

1 interest payment date to such interest payment date or after a notice of redemption shall have  
2 been mailed with respect to such Series 2009A Note.

3 Section 8. Terms of the Notes; General Redemption Provisions. The Series 2009A  
4 Notes shall each be dated their date of delivery to the purchasers thereof or such other date (the  
5 “Dated Date”) as specified in the award to be made pursuant to Section 16 hereof (the “Note  
6 Award”) or the Note Purchase Agreement. Principal of the Series 2009A Notes shall be payable  
7 only at the maturity thereof or on such other date or dates as specified in the Note Award or the  
8 Note Purchase Agreement. The Series 2009A Notes shall bear interest from the Dated Date  
9 until the principal is paid in full at rates to be determined upon the sale of the Series 2009A  
10 Notes, calculated on the basis of a 360-day year comprised of twelve 30-day months, payable  
11 on the maturity date of the Series 2009A Notes or such other dates as specified in the Note  
12 Award or the Note Purchase Agreement; provided, however, that interest shall not be payable on  
13 the Notes from the proceeds of taxes prior to December 15, 2009. Principal of and interest on  
14 the Notes shall be payable solely from the proceeds of the collection of the tax as provided in  
15 Section 9 hereof, proceeds of the Series 2009A Notes, from the proceeds of sale of the Bonds or  
16 from the proceeds of sale of any series of Bond Anticipation Notes subsequently issued as  
17 provided in Section 12 of this Resolution.

18 The principal of the Series 2009A Notes shall be payable in lawful money of the United  
19 States of America to the owner thereof, upon the surrender thereof at maturity or earlier  
20 redemption at the office of the City Treasurer. The interest on the Series 2009A Notes shall be  
21 payable in like lawful money to the person whose name appears on the Note registration books  
22 of the City Treasurer as the owner thereof as of the close of business on the last day of the  
23 month immediately preceding the maturity date (the "Record Date"), whether or not such day is a  
24 Business Day (as herein defined). The City may establish a special record date as necessary in  
25 order to pay the principal and interest on the Series 2009A Notes to the owners thereof.



1           Each Series 2009A Note shall bear interest from their Dated Date; provided, however,  
2 that if, at the time of authentication of any Series 2009A Note, interest is in default on the Series  
3 2009A Notes, such Series 2009A Note shall bear interest from the interest payment date to  
4 which interest has previously been paid or made available for payment on the Series 2009A  
5 Notes or from the Dated Date if the first interest payment is not made. Except as may be  
6 otherwise provided in connection with any book-entry only system applicable to the Series  
7 2009A Notes, payment of the interest on any Series 2009A Note shall be made by check mailed  
8 on the maturity date to such owner at such owner's address as it appears on the registration  
9 books as of the Record Date; provided, however, if any maturity date occurs on a day that banks  
10 in California or New York are closed for business or the New York Stock Exchange is closed for  
11 business, then such payment shall be made on the next succeeding day that banks in both  
12 California and New York are open for business and the New York Stock Exchange is open for  
13 business (a "Business Day"); and provided, further, that the registered owner of an aggregate  
14 principal amount of at least \$1,000,000 of the Series 2009A Notes may submit a written request  
15 to the City Treasurer on or before a Record Date preceding an maturity date for payment of  
16 interest by wire transfer to a commercial bank located within the United States. For so long as  
17 the Series 2009A Notes are held in book-entry form by a securities depository selected by the  
18 City pursuant to Section 13 hereof, payment may be made to the registered owner of the Series  
19 2009A Notes designated by such securities depository by wire transfer of immediately available  
20 funds.

21           As may be designated in the Note Award or the Note Purchase Agreement, the Series  
22 2009A Notes maturing on the designated date or dates set forth therein may be determined to  
23 be not subject to optional redemption prior to maturity. The Series 2009A Notes maturing on  
24 such date or dates as may be designated in the Note Award or the Note Purchase Agreement  
25 may be made subject to optional redemption prior to their respective stated maturities, at the

1 option of the City, from any source of available funds, as a whole or in part on any date (with the  
2 maturities to be redeemed to be determined by the City and by lot within a maturity) or dates as  
3 may be designated in the Note Award or the Note Purchase Agreement, at redemption prices  
4 equal to the principal amount redeemed, together with accrued interest to the date of  
5 redemption, or such other redemption prices as may be designated in the Note Award or the  
6 Note Purchase Agreement.

7           The Series 2009A Notes shall be subject to mandatory redemption on the dates and in  
8 the amounts on any such date as may be designated in the Note Award or the Note Purchase  
9 Agreement at par, by lot, in any year for which the purchaser thereof has designated that the  
10 principal amount payable with respect to that year shall constitute a mandatory sinking fund  
11 payment as permitted by the Official Notice of Sale. Any Series 2009A Notes subject to  
12 mandatory redemption shall be designated as such in the Note Award or the Note Purchase  
13 Agreement, along with the redemption dates and the principal amounts thereof. The principal  
14 and interest on the Series 2009A Notes subject to mandatory redemption as may be designated  
15 in the Note Award or the Note Purchase Agreement shall be paid from the Series 2009A Note  
16 Account, established pursuant to Section 10 hereof. In lieu of any such mandatory redemption  
17 for the Series 2009A Notes, at any time prior to the selection of the Series 2009A Notes for  
18 redemption, the City may apply such amounts on deposit in the Series 2009A Note Account (as  
19 defined in Section 10 hereof) to make such payment to the purchase of Series 2009A Notes  
20 subject to such redemption at public or private sale, as and when and at such prices not in  
21 excess of the principal amount thereof (including sales commission and other charges but  
22 excluding accrued interest), as the City may determine.

23           Whenever less than all the outstanding Series 2009A Notes maturing on any one date as  
24 may be designated in the Note Award or the Note Purchase Agreement are called for  
25 redemption on any one date, the City Treasurer will select the Series 2009A Notes or portions

1     thereof, in denominations of \$5,000 or any integral multiple thereof, to be redeemed from the  
2     outstanding Series 2009A Notes maturing on such date not previously selected for redemption,  
3     by lot, in any manner which the City Treasurer deems fair. The date on which the Series 2009A  
4     Notes which are called for redemption are to be presented for redemption is herein sometimes  
5     called the "Redemption Date." The City Treasurer shall mail, or cause to be mailed, notice of  
6     any redemption of Series 2009A Notes, postage prepaid, to the respective registered owners  
7     thereof at the addresses appearing on the Note registration books not less than thirty (30) nor  
8     more than sixty (60) days prior to the Redemption Date. The notice of redemption shall (a) state  
9     the Redemption Date; (b) state the redemption price; (c) state the dates of maturity of the Series  
10    2009A Notes and, if less than all of any such maturity is called for redemption, the distinctive  
11    numbers of the Series 2009A Notes of such maturity to be redeemed, and in the case of Series  
12    2009A Notes redeemed in part only, the respective portions of the principal amount thereof to be  
13    redeemed; (d) state the CUSIP number, if any, of each Series 2009A Note to be redeemed; (e)  
14    require that such Series 2009A Notes be surrendered by the owners at the office of the City  
15    Treasurer or his or her agent; and (f) give notice that interest on such Series 2009A Notes will  
16    cease to accrue after the designated Redemption Date.

17           The actual receipt by the owner of any Series 2009A Note as being subject to redemption  
18    of notice of such redemption shall not be a condition precedent to redemption, and failure to  
19    receive such notice, or any defect in such notice so mailed, shall not affect the validity of the  
20    proceedings for the redemption of such Series 2009A Notes or the cessation of accrual of  
21    interest on such Series 2009A Notes on the Redemption Date.

22           Notice of such redemption also shall be given, or caused to be given, by the City  
23    Treasurer, by (i) registered or certified mail, postage prepaid, (ii) confirmed facsimile  
24    transmission or (iii) overnight delivery service, to (a) all organizations registered with the  
25    Securities and Exchange Commission as securities depositories and (b) such other services

1 or organizations as may be required in accordance with the Continuing Disclosure Certificate  
2 described in Section 22 hereof.

3 The notice or notices required for redemption shall be given by the City Treasurer, or any  
4 agent appointed by the City. A certificate of the City Treasurer or such other appointed agent of  
5 the City that notice of redemption has been given to the owner of any Series 2009A Note in  
6 accordance with this Resolution shall be conclusive against all parties.

7 At the time the City Treasurer or the Controller of the City or his or her designee (the  
8 "Controller") determines to optionally call and redeem any of the Series 2009A Notes, the City  
9 Treasurer or his or her agent shall establish a redemption account to be described or known as  
10 the "General Obligation Bond Anticipation Notes (San Francisco General Hospital Improvement  
11 Bonds, 2008), Series 2009A Redemption Account" (the "Series 2009A Redemption Account")  
12 and prior to or on the Redemption Date there must be set aside in said Series 2009A  
13 Redemption Account moneys available for the purpose and sufficient to redeem as provided in  
14 this Resolution, the Series 2009A Notes designated in said notice of redemption, subject to  
15 rescission as hereinafter provided. Said moneys must be set aside in the Series 2009A  
16 Redemption Account solely for the purpose of, and shall be applied on or after the Redemption  
17 Date to, payment of the redemption price of the Series 2009A Notes to be redeemed upon  
18 presentation and surrender of such Series 2009A Notes. Any interest due on or prior to the  
19 Redemption Date may be paid from the Series 2009A Note Account as provided in Section 10  
20 hereof or from the Series 2009A Redemption Account. Moneys held from time to time in the  
21 Series 2009A Redemption Account shall be invested by the City Treasurer pursuant to the City's  
22 policies and guidelines for investment of General Fund moneys. If, after all of the Series 2009A  
23 Notes have been redeemed and canceled or paid and canceled, there are moneys remaining in  
24 said Series 2009A Redemption Account, said moneys shall be transferred to the General Fund  
25 of the City or to such other fund or account as required by applicable law; provided, however,

1 that if said moneys are part of the proceeds of refunding Notes, said moneys shall be transferred  
2 pursuant to the resolution authorizing such refunding Notes.

3 When notice of optional redemption has been given, substantially as provided herein, and  
4 when the amount necessary for the redemption of the Series 2009A Notes called for redemption  
5 (principal and premium, if any) is set aside for that purpose in said Series 2009A Redemption  
6 Account, as provided herein, the Series 2009A Notes designated for redemption shall become  
7 due and payable on the date fixed for redemption thereof, and upon presentation and surrender  
8 of said Series 2009A Notes at the place specified in the notice of redemption, such Series 2009A  
9 Notes shall be redeemed and paid at said redemption price out of said Series 2009A  
10 Redemption Account. No interest will accrue on such Series 2009A Notes called for redemption  
11 after the Redemption Date and the registered owners of such Series 2009A Notes shall look for  
12 payment of such Series 2009A Notes only to said Series 2009A Redemption Account. All Series  
13 2009A Notes redeemed shall be canceled forthwith by the City Treasurer and shall not be  
14 reissued.

15 The City may rescind any optional redemption and notice thereof for any reason on any  
16 date prior to the date fixed for redemption by causing written notice of the rescission to be given  
17 to the owners of all Series 2009A Notes so called for redemption. Any optional redemption and  
18 notice thereof shall be rescinded if for any reason on the date fixed for redemption funds are not  
19 or will not be available in the Series 2009A Redemption Account in an amount sufficient to pay in  
20 full on said date the principal of, interest, and any premium due on the Series 2009A Notes  
21 called for redemption. Notice of rescission of redemption shall be given in the same manner  
22 notice of redemption was originally given. The actual receipt by the owner of any Series 2009A  
23 Note of notice of such rescission shall not be a condition precedent to rescission, and failure to  
24 receive such notice or any defect in such notice so mailed shall not affect the validity of the  
25 rescission.

1                   Section 9. Tax Levy. For the purpose of paying the interest on the Series  
2 2009A Notes, unless the Series 2009A Notes shall have a maturity date of 24 months or more  
3 from their date of issuance, in which case for the purpose of paying principal as well, the  
4 Board at the time of fixing the general tax levy shall fix, and in the manner provided for such  
5 general tax levy, levy and collect annually (commencing with the 2009-2010 fiscal year) until  
6 the Series 2009A Notes are paid, or until there shall be a sum set apart for that purpose in the  
7 Treasury of the City sufficient to meet all sums coming due for payment of principal and  
8 interest on the Series 2009A Notes, a tax sufficient to pay the annual principal, if applicable,  
9 and interest on the Series 2009A Notes as the same becomes due.

10                   Said tax shall be in addition to all other taxes levied for City purposes, shall be  
11 collected at the time and in the same manner as other taxes of the City are collected, and  
12 shall be used only for the payment of the principal, if applicable, and interest on the Series  
13 2009A Notes.

14                   All taxes collected pursuant to this Section 9 shall be deposited forthwith in the Series  
15 2009A Note Account (as established pursuant to Section 10 of this Resolution) and each and  
16 every Series 2009A Notes issued under this Resolution shall be equally and ratably secured  
17 by the taxes collected pursuant to this Section. Such account shall be administered by the  
18 City Treasurer and kept separate and apart from all other accounts. Pursuant to the  
19 resolution of the Board authorizing and directing the sale of the Series 2009A Notes, the City  
20 Treasurer may establish such additional accounts and subaccounts within the Series 2009A  
21 Note Account or with any agent, including but not limited to any paying agent or fiscal agent,  
22 as may be necessary or convenient in connection with the administration of the Series 2009A  
23 Notes. The resolution of the Board authorizing and directing the sale of any series of the  
24 Series 2009A Notes shall establish subaccounts within the Series 2009A Note Account to  
25 provide for the payment of principal, if applicable, and interest on the Series 2009A Notes.

1           The City Treasurer shall also deposit in the Series 2009A Note Account from the  
2 proceeds of sale of the Series 2009A Notes, any amounts as determined by the Director of  
3 Public Finance to be used to pay interest on the Series 2009A Notes, and such other moneys,  
4 if any, as may be specified in Note Award or the Note Purchase Agreement. So long as any  
5 of the Series 2009A Notes are outstanding, moneys in the Series 2009A Note Account shall  
6 be used and applied by the City Treasurer solely for the purpose of paying interest on the  
7 Series 2009A Notes as such interest shall become due and payable; provided, however, that  
8 when all of the principal of and interest on the Series 2009A Notes have been paid, any  
9 moneys then remaining in said account shall be transferred to the Bond Fund relating to the  
10 Bonds or the General Fund of the City, as determined by the Director of Public Finance. The  
11 Board shall take such actions annually as are necessary or appropriate to cause the debt  
12 service on the Series 2009A Notes due in any fiscal year to be included in the budget for such  
13 fiscal year and to make the necessary appropriations therefor. The Board may, in connection  
14 with the issuance of any subsequent series of notes issued pursuant to the Ordinance,  
15 including any series of refunding notes issued to pay principal and interest on the Series  
16 2009A Notes, provide for the levy of a tax to pay principal and interest on such subsequent  
17 series of notes.

18           Section 10. Series 2009A Note Account. There is hereby established with the City  
19 Treasurer a special account, to be designated the "General Obligation Bonds (San Francisco  
20 General Hospital Improvement Bonds, 2008), Series 2009A Note Account (the "Series 2009A  
21 Note Account")," to be held separate and apart from all other accounts of the City. All interest  
22 earned on amounts on deposit in the Series 2009A Note Account shall be retained in the  
23 Series 2009A Note Account.

24           On or prior to the date on which any payment of principal or interest on the Series  
25 2009A Notes is due, including any Series 2009A Notes designated in the Note Award or the

1 Note Purchase Agreement as being subject to mandatory redemption on said date, the City  
2 Treasurer shall allocate to and deposit in the Series 2009A Note Account, from amounts held  
3 in the Note Account, an amount which, when added to any available moneys contained in the  
4 Series 2009A Note Account, is sufficient to pay principal and interest on the Series 2009A  
5 Notes on such date.

6 On or prior to the date on which any Series 2009A Notes are to be redeemed at the  
7 option of the City pursuant to this Resolution, the City Treasurer may allocate to and deposit  
8 in the Series 2009A Redemption Account, from amounts held in the Note Account pursuant to  
9 Section 9 of this Resolution for payment of interest, an amount which, when added to any  
10 available moneys contained in the Series 2009A Redemption Account, is sufficient to pay  
11 principal, interest and premium, if any, on such Series 2009A Notes on such date. The City  
12 Treasurer may make such other provision for the payment of principal and interest and any  
13 redemption premium on the Series 2009A Notes as is necessary or convenient to permit the  
14 optional redemption of the Series 2009A Notes.

15 Amounts in the Series 2009A Note Account may be invested in any investment of the  
16 City in which moneys in the General Fund of the City are invested. The City Treasurer may  
17 commingle any of the moneys held in the Series 2009A Note Account with other City moneys  
18 or deposit amounts credited to the Series 2009A Note Account into a separate fund or funds  
19 for investment purposes only; *provided, however,* that all of the moneys held in the Series  
20 2009A Note Account hereunder shall be accounted for separately, notwithstanding any such  
21 commingling or separate deposit by the City Treasurer. Any bid premium or accrued interest  
22 received upon the sale of the Series 2009A Notes shall be deposited into the Series 2009A  
23 Note Account.

24 Section 11. Project Account. There is hereby established with the City Treasurer a  
25 special account, to be designated the "General Obligation Bond Anticipation Notes (San



1 Francisco General Hospital Improvement Bonds, 2008), Series 2009A Project Account” (the  
2 "Series 2009A Project Account"), to be held separate and apart from all other accounts of the  
3 City. All interest earned on amounts on deposit in the Series 2009A Project Account shall be  
4 retained in the Series 2009A Project Account. Amounts in the Series 2009A Project Account  
5 shall be expended for the Project in accordance with the provisions of and as defined in the  
6 authorizing resolutions relating to the issuance of the Bonds.

7 Amounts in the Series 2009A Project Account may be invested in any investment of the  
8 City in which moneys in the General Fund of the City are invested. The City Treasurer may  
9 commingle any of the moneys held in the Series 2009A Project Account with other City  
10 moneys or deposit amounts credited to the Series 2009A Project Account into a separate fund  
11 or funds for investment purposes only; *provided, however*, that all of the moneys held in the  
12 Series 2009A Project Account (including interest earnings) hereunder shall be accounted for  
13 separately notwithstanding any such commingling or separate deposit by the City Treasurer.

14 The City Treasurer is hereby authorized to pay or cause to be paid from the proceeds  
15 of the Series 2009A Notes, on behalf of the City, the costs of issuance associated with the  
16 Series 2009A Notes. Costs of issuance of the Series 2009A Notes shall include, without  
17 limitation, note and financial printing expenses, mailing and publication expenses, rating  
18 agency fees, the fees and expenses of paying agents, registrars, financial consultants, bond  
19 counsel and disclosure counsel and the reimbursement of departmental expenses in  
20 connection with the issuance of the Series 2009A Notes.

21 Section 12. Issuance of Additional Notes Equally Secured By Tax Levy Along With the  
22 Series 2009A Notes. The Board may, by adoption of a resolution relating thereto, find and  
23 determine that an additional amount of notes of the City shall be issued by the City pursuant  
24 to the Ordinance. The additional notes (including any notes issued to refund the Series 2009A  
25 Notes or to pay the principal amount thereof at maturity), if and when issued by the Board,

1 and the principal and interest payable thereon, or either principal or interest thereon, may  
2 (subject to the terms and provisions of the resolution authorizing their issuance) be made  
3 payable from the proceeds of the collection of a tax as provided in Section 9 hereof, proceeds of  
4 the sale of such notes, the proceeds of sale of the Bonds or from the proceeds of sale of any  
5 series of Bond Anticipation Notes subsequently issued under the Ordinance, and from any other  
6 moneys legally available for the payment of such notes and the principal and interest thereon  
7 specified in the resolution relating to their issuance, on the same basis as the Series 2009A  
8 Notes and the interest thereon, and shall be equally and ratably secured by any such tax on a  
9 parity with the Series 2009A Notes hereby issued, in all respects.

10 Section 13. Appointment of Depositories and Other Agents. The City Treasurer is  
11 hereby authorized and directed to appoint one or more depositories as he or she may deem  
12 desirable and the procedures set forth in Section 7 hereof relating to registration of ownership of  
13 the Series 2009A Notes, and payments and redemption notices to owners of the Series 2009A  
14 Notes may be modified to comply with the policies and procedures of such depository. The City  
15 will not have any responsibility or obligation to any purchaser of a beneficial ownership interest in  
16 any Series 2009A Notes or to any participants in such a depository with respect to (i) the  
17 accuracy of any records maintained by such securities depository or any participant therein; (ii)  
18 any notice that is permitted or required to be given to the owners of the Series 2009A Notes  
19 under this Resolution; (iii) the selection by such securities depository or any participant therein of  
20 any person to receive payment in the event of a partial redemption of the Series 2009A Notes;  
21 (iv) the payment by such securities depository or any participant therein of any amount with  
22 respect to the principal or redemption premium, if any, or interest due with respect to the Series  
23 2009A Notes; (v) any consent given or other action taken by such securities depository as the  
24 owner of the Series 2009A Notes; or (vi) any other matter.

25

1           The City Treasurer is hereby also authorized and directed to appoint one or more agents  
2 as he or she may deem necessary or desirable. To the extent permitted by applicable law and  
3 under the supervision of the City Treasurer, such agents may serve as paying agent, fiscal  
4 agent, rebate calculation agent or escrow agent or registrar for the Series 2009A Notes or may  
5 assist the City Treasurer in performing any or all of such functions and such other duties as the  
6 City Treasurer shall determine. Such agents shall serve under such terms and conditions as the  
7 City Treasurer shall determine. The City Treasurer may remove or replace agents appointed  
8 pursuant to this paragraph at any time.

9           Section 14. Defeasance Provisions. Payment of all or any portion of the Series 2009A  
10 Notes may be provided for prior to such Series 2009A Notes' stated maturity by irrevocably  
11 depositing with the City Treasurer (or any commercial bank or trust company designated by the  
12 City Treasurer to act as escrow agent with respect thereto):

13           (a)     An amount of cash equal to the principal amount of all of such Series  
14 2009A Notes or a portion thereof, and all unpaid interest thereon to maturity, except that in the  
15 case of Series 2009A Notes which are to be redeemed prior to their stated maturity and in  
16 respect of which notice of such redemption shall have been given as provided in Section 8  
17 hereof or an irrevocable election to give such notice shall have been made by the City, the  
18 amount to be deposited shall be the principal amount thereof, all unpaid interest thereon to the  
19 maturity date Redemption Date, and any premium due on such Redemption Date; or

20           (b)     Defeasance Securities (as herein defined) not subject to call, except as  
21 provided below in the definition thereof, maturing and paying interest at such times and in such  
22 amounts, together with interest earnings and cash, if required, as will, without reinvestment, as  
23 certified by an independent certified public accountant, be fully sufficient to pay the principal and  
24 all unpaid interest to maturity, or to the Redemption Date, as the case may be, and any premium  
25 due on the Series 2009A Notes to be paid or redeemed, as such principal and interest come

1 due; provided, that, in the case of the Series 2009A Notes which are to be redeemed prior to  
2 maturity, notice of such redemption shall be given as provided in Section 8 hereof or an  
3 irrevocable election to give such notice shall have been made by the City; then, all obligations of  
4 the City with respect to said outstanding Series 2009A Notes shall cease and terminate, except  
5 only the obligation of the City to pay or cause to be paid from the funds deposited pursuant to  
6 paragraphs (a) or (b) of this Section 14, to the owners of said Series 2009A Notes all sums due  
7 with respect thereto; provided, that the City shall have received an opinion of nationally  
8 recognized bond counsel, that provision for the payment of said Series 2009A Notes has been  
9 made in accordance with this Section 14.

10 For purpose of this Section 14, "Defeasance Securities" shall mean any of the following  
11 which at the time are legal investments under the laws of the State of California for the moneys  
12 proposed to be invested therein:

- 13 (1) United States Obligations (as herein defined); and
- 14 (2) Pre-refunded fixed interest rate municipal obligations meeting the following  
15 conditions: (a) the municipal obligations are not subject to redemption prior to maturity, or the  
16 trustee has been given irrevocable instructions concerning their calling and redemption and the  
17 issuer has covenanted not to redeem such obligations other than as set forth in such  
18 instructions; (b) the municipal obligations are secured by cash and/or United States Obligations;  
19 (c) the principal of and interest on the United States Obligations (plus any cash in the escrow  
20 fund or the redemption account) are sufficient to meet the liabilities of the municipal obligations;  
21 (d) the United States Obligations serving as security for the municipal obligations are held by the  
22 City Treasurer or, if appointed by the City Treasurer pursuant to Section 13 hereof, an escrow  
23 agent or trustee; (e) the United States Obligations are not available to satisfy any other claims,  
24 including those against the trustee or escrow agent; and (f) the municipal obligations are rated  
25 "AAA" by S&P and "Aaa" by Moody's.

1 For purposes of this Section 14, "United States Obligations" shall mean (i) direct and  
2 general obligations of the United States of America, or obligations that are unconditionally  
3 guaranteed as to principal and interest by the United States of America, including without  
4 limitation, the interest component of Resolution Funding Corporation (REFCORP) bonds which  
5 have been stripped by request to the Federal Reserve Bank of New York in book-entry form or  
6 (ii) any security issued by an agency or instrumentality of the United States of America which is  
7 selected by the Director of Public Finance that results in the escrow fund being rated "AAA" by  
8 Standard & Poor's and "Aaa" by Moody's at the time of the initial deposit to the escrow fund and  
9 upon any substitution or subsequent deposit to the escrow fund.

10 Section 15. Sale of the Notes. The Series 2009A Notes shall be sold upon such terms  
11 and conditions as the Director of Public Finance shall determine. The Series 2009A Notes may  
12 be sold at competitive or negotiated sale as determined by the Board is in the best financial  
13 interest of the City and such determination is hereby delegated by the Board to the Director of  
14 Public Finance. Any Series 2009A Notes may be sold at a discount not to exceed 5% and at a  
15 premium, as the Director shall determine is in the best financial interest of the City.

16 Section 16. Official Notice of Sale; Note Award. The form of proposed Official Notice of  
17 Sale inviting bids for the Series 2009A Notes submitted to the Board is hereby approved and  
18 adopted as the Official Notice of Sale inviting bids for the Series 2009A Notes in connection with  
19 any competitive sale of the Series 2009A Notes, with such changes, additions and modifications  
20 as may be made in accordance with Section 23 hereof.

21 Proposals shall be received on the date designated by the Director of Public Finance  
22 pursuant to Section 4 hereof. The Director of Public Finance is hereby authorized and directed  
23 to cause to be mailed, electronically distributed or otherwise circulated to prospective bidders for  
24 the Series 2009A Notes copies of said Official Notice of Sale, subject to such corrections,  
25 revisions or additions as may be acceptable to the Director of Public Finance.

1           The Controller is hereby authorized to award the Series 2009A Notes to the bidder whose  
2 bid represents the lowest true interest cost to the City, all in accordance with the procedures  
3 described in the Official Notice of Sale, which award shall be set forth in a certificate signed by  
4 the Controller setting forth the terms of the Series 2009A Notes and the original purchasers  
5 thereof (herein referred to as the “Note Award”). The Controller shall provide a copy of the Note  
6 Award as soon as practicable to the Clerk of the Board of Supervisors and the Director of Public  
7 Finance; provided, however, that failure to provide such copies shall not affect the validity of the  
8 Note Award.

9           Section 17. Publication of Notice of Intention to Sell Notes. The form of proposed Notice  
10 of Intention to Sell Notes submitted to the Board is hereby approved and adopted as the Notice  
11 of Intention to Sell Notes in connection with any competitive sale of the Series 2009A Notes, and  
12 the Director of Public Finance is hereby authorized and directed to cause said Notice of Intention  
13 to Sell Notes, subject to such corrections, revisions or additions as may be made in accordance  
14 with Section 23 hereof, to be published once in The Bond Buyer or another financial publication  
15 generally circulated throughout the State of California.

16           Section 18. Solicitation of Competitive Bids. Subject to Section 19 hereof, this Board  
17 hereby authorizes the solicitation of competitive bids for the purchase of the Series 2009A Notes  
18 on the date and at the place determined in accordance with the Official Notice of Sale herein  
19 referenced.

20           Section 19. Negotiated Sale of Notes. This Board hereby authorizes the sale and  
21 purchase of the Series 2009A Notes by negotiated sale, if such form of sale is determined by the  
22 Director of Public Finance to be in the best interests of the City, and the Director of Public  
23 Finance is hereby authorized and directed to determine the terms and conditions thereof and, in  
24 connection therewith, to enter into the Note Purchase Agreement pursuant to which the Series  
25 2009A Notes will be sold to the underwriter(s) named therein (collectively, together with the

1 investment agreement hereafter referred to, the "Note Purchase Agreement"). The Note  
2 Purchase Agreement is hereby approved substantially in the form presented to this meeting, with  
3 such additions and changes therein as the Director of Public Finance shall approve as being in  
4 the best interests of the City. The underwriters' discount under the Note Purchase Agreement  
5 shall not exceed 1.00% of the principal amount of the Series 2009A Notes, the interest rate on  
6 the Series 2009A Notes shall not exceed 7.00% per annum, the true interest cost shall not  
7 exceed 5.00% and the final maturity of the Series 2009A Notes shall not exceed the maximum  
8 maturity permitted by the Ordinance. If such form of sale is determined by the Director of Public  
9 Finance to be in the best interests of the City, this Board also hereby authorizes the sale and  
10 purchase of the Series 2009A Notes by private placement with one or more qualified institutional  
11 investors as the Director of Public Finance shall approve and the Director of Public Finance is  
12 hereby authorized and directed to determine the terms and conditions thereof and, in connection  
13 therewith, to enter into an investment agreement, pursuant to which the Series 2009A Notes will  
14 be sold to the purchasers named therein, such investment agreement to be subject to the same  
15 limitations, terms and provisions as herein specified for the Note Purchase Agreement referred  
16 to in the first sentence of this Section 19.

17 Section 20. Official Statement. The form of proposed Official Statement describing the  
18 Series 2009A Notes (the "Official Statement") submitted to the Board is hereby approved and  
19 adopted as the Official Statement describing the Series 2009A Notes, with such additions,  
20 corrections and revisions as may be determined to be necessary or desirable made in  
21 accordance with Section 23 hereof. The Controller or Director of Public Finance is each  
22 hereby authorized and directed to revise the Official Statement to conform it to the City's  
23 Comprehensive Annual Fiscal Report for the fiscal year ended June 30, 2008, subject to  
24 review and approval by the City Attorney of the City (the "City Attorney"). The Controller is  
25 hereby authorized to cause the distribution of a Preliminary Official Statement deemed final for

1 purposes of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, and to sign a  
2 certificate to that effect. The Controller is hereby further authorized and directed to sign the final  
3 Official Statement. The Director of Public Finance is hereby authorized and directed to cause to  
4 be printed and mailed or electronically distributed to prospective bidders for the Series 2009A  
5 Notes copies of the Official Statement in substantially the form of the Preliminary Official  
6 Statement approved and adopted hereby, as completed, supplemented, corrected or revised.

7 Section 21. Tax Covenants. (a) General. The City hereby covenants with the holders  
8 of the Series 2009A Notes that, notwithstanding any other provisions of this Resolution, it  
9 shall not take any action, or fail to take any action, if any such action or failure to take action  
10 would adversely affect the exclusion from gross income of interest on the Series 2009A Notes  
11 under Section 103 of the Internal Revenue Code of 1986 (the "Code"), and the regulations  
12 issued thereunder, as the same may be amended from time to time, and any successor  
13 provisions of law. Reference to a particular section of the Code shall be deemed to be a  
14 reference to any successor to any such section. The City shall not, directly or indirectly, use  
15 or permit the use of proceeds of the Series 2009A Notes or any of the property financed or  
16 refinanced with proceeds of the Series 2009A Notes, or any portion thereof, by any person  
17 other than a governmental unit (as such term is used in Section 141 of the Code), in such  
18 manner or to such extent as would result in the loss of exclusion of interest on the Series  
19 2009A Notes from gross income for federal income tax purposes.

20 (b) Use of Proceeds. The City shall not take any action, or fail to take any  
21 action, if any such action or failure to take action would cause the Series 2009A Notes to be  
22 "private activity bonds" within the meaning of Section 141 of the Code, and in furtherance  
23 thereof, shall not make any use of the proceeds of the Series 2009A Notes or any of the  
24 property financed or refinanced with proceeds of the Series 2009A Notes, or any portion  
25 thereof, or any other funds of the City, that would cause the Series 2009A Notes to be "private



1 activity bonds" within the meaning of Section 141 of the Code. To that end, so long as any  
2 Series 2009A Notes are outstanding, the City, with respect to such proceeds and property and  
3 such other funds, will comply with applicable requirements of the Code and all regulations of  
4 the United States Department of the Treasury issued thereunder and under Section 103 of the  
5 Internal Revenue Code of 1954, as amended (the "1954 Code"), to the extent such  
6 requirements are, at the time, applicable and in effect. The City shall establish reasonable  
7 procedures necessary to ensure continued compliance with Section 141 of the Code (or, if  
8 applicable, the 1954 Code) and the continued qualification of the Series 2009A Notes as  
9 "governmental bonds."

10 (c) Arbitrage. The City shall not, directly or indirectly, use or permit the use  
11 of any proceeds of any Series 2009A Notes, or of any property financed or refinanced  
12 thereby, or other funds of the City, or take or omit to take any action, that would cause the  
13 Series 2009A Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code.  
14 To that end, the City shall comply with all requirements of Section 148 of the Code and all  
15 regulations of the United States Department of the Treasury issued thereunder to the extent  
16 such requirements are, at the time, in effect and applicable to the Series 2009A Notes.

17 (d) Federal Guarantee. The City shall not make any use of the proceeds of  
18 the Series 2009A Notes or any other funds of the City, or take or omit to take any other action,  
19 that would cause the Series 2009A Notes to be "federally guaranteed" within the meaning of  
20 Section 149(b) of the Code.

21 (e) Compliance with Tax Certificate. In furtherance of the foregoing tax  
22 covenants of this Section 20, the City covenants that it will comply with the provisions of the  
23 Tax Certificate to be executed by the City, dated the date of issuance of the Series 2009A  
24 Notes, as it may be amended from time to time (herein called the "Tax Certificate"). This  
25 covenant shall survive payment in full or defeasance of the Series 2009A Notes.

1           Section 22. Continuing Disclosure Certificate. The form of Continuing Disclosure  
2 Certificate issued by the City to permit the original purchasers of the Series 2009A Notes to  
3 comply with Securities and Exchange Commission Rule 15c2-12 promulgated under the  
4 Securities Exchange Act of 1934, as amended, submitted to the Board is hereby approved and  
5 adopted as the Continuing Disclosure Certificate, with such additions, corrections and revisions  
6 as may be determined to be necessary or desirable made in accordance with Section 23 hereof.  
7 The Controller is hereby authorized and directed to execute the Continuing Disclosure Certificate  
8 on behalf of the City and deliver the Continuing Disclosure Certificate to the original purchasers  
9 of the Series 2009A Notes.

10           Section 23. Modification to Documents. Any City official authorized by this Resolution to  
11 execute any document is hereby further authorized, in consultation with the City Attorney, to  
12 approve and make such changes, additions, amendments or modifications to the document or  
13 documents such official is authorized to execute as may be necessary or advisable (provided  
14 that such changes, additions, amendments or modifications shall not authorize an aggregate  
15 principal amount of Series 2009A Notes in excess of \$136,000,000 or conflict with the provisions  
16 of Section 4 hereof). The approval of any change, addition, amendment or modification to any of  
17 the aforementioned documents shall be evidenced conclusively by the execution and delivery of  
18 the document in question.

19           Section 24. Ratification. All actions heretofore taken by officials, employees and agents  
20 of the City with respect to the sale and issuance of the Series 2009A Notes are hereby  
21 approved, confirmed and ratified.

22           Section 25. Relationship to Authorizing Resolution. Without limiting the foregoing and  
23 notwithstanding the provisions of the Authorizing Resolution relating to the Bonds, the City is not  
24 obligated to transfer money from the General Fund to the Note Account to pay for principal  
25 and/or interest on the Series 2009A Notes.

1           Section 26. Reimbursement. The City hereby declares its official intent to reimburse  
2 prior expenditures of the City incurred prior to the issuance and sale of the Series 2009A Notes  
3 in connection with the Project or portions thereof to be financed by the Series 2009A Notes. The  
4 Board hereby declares the City’s intent to reimburse the City with the proceeds of the Series  
5 2009A Notes for the expenditures with respect to the Project (the “Expenditures” and each, an  
6 “Expenditure”) made on and after that date that is no more than 60 days prior to adoption of this  
7 Resolution. The City reasonably expects on the date hereof that it will reimburse the  
8 Expenditures with the proceeds of the Series 2009A Notes.

9           Each Expenditure was and will be either (a) of a type properly chargeable to a capital  
10 account under general federal income tax principles (determined in each case as of the date of  
11 the Expenditure), (b) a cost of issuance with respect to the Series 2009A Notes, (c) a  
12 nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party  
13 that is not related to or an agent of the City so long as such grant does not impose any obligation  
14 or condition (directly or indirectly) to repay any amount to or for the benefit of the City. The  
15 maximum principal amount of the Series 2009A Notes expected to be issued for the Project is  
16 \$136,000,000. The City shall make a reimbursement allocation, which is a written allocation by  
17 the City that evidences the City’s use of proceeds of the Series 2009A Notes to reimburse an  
18 Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid  
19 or the Project is placed in service or abandoned, but in no event more than three years after the  
20 date on which the Expenditure is paid. The City recognizes that exceptions are available for  
21 certain “preliminary expenditures,” costs of issuance, certain de minimis amounts, expenditures  
22 by “small issuers” (based on the year of issuance and not the year of expenditure) and  
23 expenditures for construction projects of at least 5 years.

24           Section 27. General Authority. The Clerk of the Board of Supervisors, the Mayor, the  
25 City Treasurer, the Director of Public Finance, the City Attorney and the Controller are each

1 hereby authorized and directed in the name and on behalf of the City to take any and all steps  
2 and to issue, deliver or enter into any and all certificates, requisitions, agreements, notices,  
3 consents, and other documents as may be necessary to give effect to the provisions of this  
4 resolution, including but not limited to letters of representations to any depository or depositories  
5 which they or any of them might deem necessary or appropriate in order to consummate the  
6 lawful issuance, sale and delivery of the Series 2009A Notes.

7 APPROVED AS TO FORM:

8 DENNIS J. HERRERA  
9 City Attorney

10 By: \_\_\_\_\_  
11 Kenneth David Roux  
12 Deputy City Attorney

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EXHIBIT A

[FORM OF BOND ANTICIPATION NOTES]

Number UNITED STATES OF AMERICA Amount  
STATE OF CALIFORNIA \$

CITY AND COUNTY OF SAN FRANCISCO  
GENERAL OBLIGATION BOND ANTICIPATION NOTES

(SAN FRANCISCO GENERAL HOSPITAL IMPROVEMENT BONDS, 2008), SERIES 2009A

Interest Rate Maturity Date Dated CUSIP Number

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

THE CITY AND COUNTY OF SAN FRANCISCO, State of California (herein called the "City"), acknowledges itself indebted to and promises to pay to CEDE & Co. or registered assigns, on the maturity date set forth above the principal sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) in lawful money of the United States of America, and to pay interest thereon in like lawful money to the person whose name appears on the note registration books of the City Treasurer as the owner thereof as of the close of business on the last day of the month immediately preceding the maturity date (the "Record Date"), whether or not such day is a Business Day (as herein defined), until payment of such principal sum, at the interest rate per annum stated herein above calculated on the basis of a 360-day year comprised of twelve 30-day months shall have been fully paid. The City may establish a special record date as

1 necessary in order to pay the principal and interest on the Series 2009A Notes to the owners  
2 thereof. Principal of this Note shall be payable only at the maturity thereof.

3           The principal of this Note shall be payable in lawful money of the United States of  
4 America to the owner thereof, upon the surrender thereof at maturity [or earlier redemption] at  
5 the Office of the Treasurer of the City of San Francisco (the "City Treasurer"). Each Series  
6 2009A Note shall bear interest from its Dated Date; provided, however, that if, at the time of  
7 authentication of any Series 2009A Note, interest is in default on the Series 2009A Notes, such  
8 Series 2009A Note shall bear interest from the interest payment date to which interest has  
9 previously been paid or made available for payment on the Series 2009A Notes or from the  
10 Dated Date if the first interest payment is not made. Except as may be otherwise provided in  
11 connection with any book-entry only system applicable to the Series 2009A Notes, payment of  
12 the interest on any Series 2009A Note shall be made by check mailed on the maturity date to  
13 such owner at such owner's address as it appears on the registration books as of the Record  
14 Date; provided, however, if any maturity date occurs on a day that banks in California or New  
15 York are closed for business or the New York Stock Exchange is closed for business, then such  
16 payment shall be made on the next succeeding day that banks in both California and New York  
17 are open for business and the New York Stock Exchange is open for business (a "Business  
18 Day"); and provided, further, that the registered owner of an aggregate principal amount of at  
19 least \$1,000,000 of the Series 2009A Notes may submit a written request to the City Treasurer  
20 on or before a Record Date preceding an maturity date for payment of interest by wire transfer to  
21 a commercial bank located within the United States. For so long as the Series 2009A Notes are  
22 held in book-entry form by a securities depository selected by the City pursuant to the  
23 authorizing proceedings relating thereto, payment may be made to the registered owner of the  
24 Series 2009A Notes designated by such securities depository by wire transfer of immediately  
25 available funds.

1           This Note is one of a duly authorized issue of notes of like tenor (except for such  
2 variations, if any, as may be required to designate varying numbers, denominations, interest  
3 rates and maturities), in the aggregate principal amount of not to exceed \$136,000,000 and is  
4 authorized, issued and sold by the City pursuant to and in strict conformity with the provisions of  
5 the Constitution and laws of said State, and Charter of the City, Ordinance No. \_\_\_ adopted by  
6 the Board of Supervisors of the City (the "Board of Supervisors") on \_\_\_\_\_, 2008, and  
7 of resolutions (the "Resolutions") adopted by the Board of Supervisors of the City (the "Board of  
8 Supervisors") on \_\_\_\_\_, 2008, and \_\_\_\_\_, 2008.

9           The Notes are issuable as fully registered Notes without coupons in the denominations of  
10 \$5,000 or any integral multiple thereof, provided that no Note shall have principal maturing on  
11 more than one principal maturity date. Subject to the limitations and conditions and upon  
12 payment of the charges, if any, as provided in the Resolutions, Notes may be exchanged for a  
13 like aggregate principal amount of Notes or other authorized denominations of the same series,  
14 interest rate and maturity.

15           This Note is transferable by the registered owner hereof, in person or by attorney duly  
16 authorized in writing, at said office of the City Treasurer, but only in the manner, subject to the  
17 limitations and upon payment of the charges provided in the Resolutions, and upon surrender  
18 and cancellation of this Note. Upon such transfer, a new Note or Notes of authorized  
19 denomination or denominations for the same interest rate and same aggregate principal amount  
20 will be issued to the transferee in exchange herefor.

21           Series 2009A Notes maturing on or before June 15, 20\_\_\_ are not subject to redemption  
22 prior to maturity. Series 2009A Notes maturing on or after June 15, 20\_\_\_ are subject to  
23 optional redemption prior to their respective maturities, at the option of the City from any source  
24 of available funds, as a whole or in part on any date (with the maturities to be redeemed to be  
25 determined by the City and by lot within a maturity), on and after June 15, 20\_\_\_, at the following

1 redemption prices expressed as a percentage of the principal amount thereof, together with  
 2 accrued interest to the date fixed for redemption:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
4 June 15, 20__ through June 14, 20__	102%
5 June 15, 20__ through June 14, 20__	101%
6 June 15, 20__ and thereafter	100%

7 The Notes are further subject to mandatory sinking fund redemption prior to their  
 8 respective stated maturities on June 15 of each year specified below, by lot within the maturity if  
 9 less than all of the Notes of such maturity are to be redeemed, upon payment of the principal  
 10 amount thereof and accrued interest thereon to the date fixed for redemption, without premium,  
 11 but only in amounts equal to and in accordance with the schedule shown below.

Mandatory Sinking Fund Payment	Mandatory Sinking Fund Payment
<u>Date (June 15)</u>	<u>Fund Payment</u>
15 20__	\$_____
16 20__	_____
17 20__ (final maturity)	_____]

18 Notice of redemption shall be given by mail not less than thirty (30) nor more than sixty  
 19 (60) days prior to the Redemption Date to the registered owner thereof, but neither failure to  
 20 receive any such notice or any defect in the notice so mailed shall affect the sufficiency of the  
 21 proceedings for redemption.

22 The City may rescind any optional redemption by written notice to the owner of any Series  
 23 2009A Note previously called for redemption prior to the Redemption Date. Any notice of  
 24 optional redemption shall be rescinded if for any reason funds are not or will not be available on  
 25 the date fixed for redemption or the payment in full of the Series 2009A Notes then called for



1 redemption. Notice of rescission of redemption shall be given in the same manner notice of  
2 redemption was originally provided. The actual receipt by the owner of any Series 2009A Note  
3 of notice of such rescission shall not be a condition precedent to rescission, and failure to  
4 receive such notice or any defect in such notice so mailed shall not affect the validity of the  
5 rescission.

6 If this Note is called for redemption and payment is duly provided therefore, interest shall  
7 cease to accrue hereon from and after the date fixed for redemption.

8 The City and the City Treasurer may treat the registered owner of the Series 2009A  
9 Notes hereof as the absolute owner hereof for all purposes, and the City and the City Treasurer  
10 shall not be affected by any notice to the contrary.

11 The City Treasurer may appoint agents to serve as Note registrar or paying agent, as  
12 provided in the Resolution.

13 The Board of Supervisors hereby certifies and declares that the total amount of  
14 indebtedness of said City, including the amount of this Note, is within the limit provided by law,  
15 that all acts, conditions and things required by the law to be done or performed precedent to and  
16 in the issuance of this Note have been done and performed in strict conformity with the laws  
17 authorizing the issuance of this Note, that this Note is in the form prescribed by order of the  
18 Board of Supervisors duly made and entered on its minutes, and the money for the payment of  
19 principal of this Note, and the payment of interest thereon, shall be raised by taxation upon the  
20 taxable property of said City.

21 This Note shall not be entitled to any benefit under the Resolutions, or become valid or  
22 obligatory for any purpose, until the certificate of authentication and registration hereon endorsed  
23 shall have been signed by the City Treasurer.

24 IN WITNESS WHEREOF the Board of Supervisors of the City and County of San  
25 Francisco has caused this Note to be executed by the Mayor of the City and County of San

1 Francisco, and to be countersigned by the Clerk of said Board, all as of \_\_\_\_\_,  
2 2009.

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\_\_\_\_\_  
Mayor of the City and  
County of San Francisco

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Countersigned:

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\_\_\_\_\_  
Clerk of the Board  
of Supervisors

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[FORM OF CITY TREASURER'S CERTIFICATE  
OF AUTHENTICATION TO APPEAR ON NOTES]

This is one of the Series 2009A Notes described in the within-mentioned Resolutions and  
authenticated and registered \_\_\_\_\_.

TREASURER OF THE CITY AND  
COUNTY OF SAN FRANCISCO

By: \_\_\_\_\_

[FORM OF ASSIGNMENT]

For value received the undersigned do(es) hereby sell, assign and transfer unto  
\_\_\_\_\_ the within-mentioned registered Series 2009A Note and hereby  
irrevocably constitute(s) and appoint(s) \_\_\_\_\_ attorney, to transfer the same  
on the books of the City Treasurer with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTE: The signature(s) on this Assignment must  
correspond with the name(s) as written on the face of  
the within registered Series 2009A Note in every  
particular, without alteration or enlargement or any  
change whatsoever.

Signature Guarantee:

\_\_\_\_\_ Tax ID Number: \_\_\_\_\_